

On May 13, the trustees of a government panel overseeing Social Security and Medicare gave their assessment of the long-term solvency of both programs. The verdict was mixed. Social Security has 18 years of life left before it runs into the red. Medicare, however, is in deeper trouble.

The panel found the Medicare hospital insurance fund – a primary source of funding for Medicare health insurance for millions of seniors – will be exhausted in just 13 years, five years sooner than previously forecast.

The problem with the long-term solvency of Social Security and Medicare is rooted in the fact that each year more people are depending on these programs while fewer people are working to support them. And each year Social Security and Medicare, along with the interest on the \$14.2 trillion national debt, occupy the largest portion of our federal budget. That portion is growing every year and, if left unchecked, will eventually swallow up all government revenues.

Medicare, Social Security and debt interest payments are "mandatory" spending items in the federal budget – meaning they are not normally lowered or raised by Congress each year like we do with other government spending like highway or defense or environmental funds.

At the same time we are paying out more for Medicare and Social Security benefits, we are also borrowing more and more money to pay for them. Right now 42 cents of every dollar spent in the federal budget is borrowed. At least 47 percent of that borrowed debt comes from foreign countries – our largest creditor being China.

The country is facing a debt crisis that demands Washington reduce federal spending or face possible bankruptcy and the collapse of our economy. This problem has been looming for years, yet we as a country have delayed working on a solution that will get us out of debt and also protect the Social Security and Medicare benefits retirees have worked all their lives to earn.

Back in April, the House of Representatives took a bold stand. We introduced a serious plan to reduce federal spending by more than \$6 trillion over the next ten years while also

strengthening Medicare. This is the Ryan Budget, named for its author, House Budget Committee chairman, Rep. Paul Ryan of Wisconsin.

For starters, the House budget's changes to Medicare do not affect Americans who are age 55 or older. Current Medicare beneficiaries - and those now within 10 years of retirement - will see no changes in their current or future benefits. For those who are younger than age 55, it would establish a new payment structure for Medicare that will provide patients with the freedom to choose from a list of guaranteed coverage options. Insurance providers, competing for patients' business, will look to lower costs and increase quality for their services.

House Republicans are the only ones thus far to offer a plan to save Medicare. President Obama has offered no plan. Neither has the U.S. Senate.

For either the president or Senator Reid, it is easier to attack the House plan as a threat to seniors and Medicare than admit they have no cure of their own to save Medicare. This is not only cynical Washington politics, it is also a direct insult to millions of seniors who will have no Medicare at all if Congress and the president don't take steps - and soon - to save it. Let's not forget that the president's own health care plan, which passed the Democrat-led House last year, cuts Medicare for current enrollees by \$500 billion.

The fact is Medicare, as it exists today, is in trouble. The New York Times weighed in last week: "Sooner or later, Democrats will have to admit that Medicare cannot keep running as it is — its medical costs are out of control, and a recent report showed its trust fund running out of money in 2024, five years earlier than expected. Bill Clinton was right on Wednesday to warn his party that it must bring down those costs if it is to have any credibility on the deficit and the economy."

Last Wednesday, the Senate voted to defeat the House budget as well as budget proposed by President Obama, which failed 97-0. Sadly, the Senate now has no alternative budget and no plan to save Medicare. Hopefully, both the Senate and the president will now work in earnest with Republicans and Democrats in the House to come up with a plan that will save Medicare for future beneficiaries.

I voted for the House budget because it is the only plan on the table to address the nation's

huge debt crisis and the looming collapse of Medicare. While I believe it is a good plan, I also welcome serious alternatives from the president and the Senate, and of course, the American people. Medicare is simply too important a program to let fail.

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free at 1-800-288-8721.